

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

NOV 27 2002

MICHAEL N. MILBY, CLERK

IN RE

RELIANT SECURITIES LITIGATION

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CIVIL ACTION NO. H-02-1810

ORDER APPROVING SELECTION OF LEAD PLAINTIFFS' COUNSEL

Pending is Lead Plaintiffs' Motion for Approval of Selection of Lead and Liaison Counsel (Document No. 31), which is supported by Lead Plaintiffs' Memorandum of Law (Document No. 32).

Lead Plaintiffs presently request the Court to approve their selections and retentions of three law firms, Berman DeValerio Pease Tabacco Burt & Pucillo, and Bernstein Litowitz Berger & Grossmann LLP, as co-lead counsel, and Nickens, Keeton, Lawless, Farrell & Flack LLP as liaison counsel. If not permitted to select co-lead counsel, Plaintiffs select Berman DeValerio Pease Tabacco Burt & Pucillo as sole lead counsel, and Nickens, Keeton, Lawless, Farrell & Flack LLP as liaison counsel.

The Court has carefully studied Lead Plaintiffs' Memorandum of Law and recognizes that Lead Plaintiffs are entitled to much deference in their selection and retention of counsel. At the same time, however, the Court has a responsibility to supervise the selection of Lead Counsel and, consistent with the Private Securities Litigation Reform Act, to encourage efficiency and to

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minimize needless fees and expenses. Lead Plaintiffs' submissions identify no shortcomings on the part of their first-choice law firm, Berman DeValerio Pease Tabacco Burt & Pucillo, that would render it unable capably, effectively, and diligently to prosecute this litigation. It is argued only that Bernstein Litowitz Berger & Grossmann LLP is also an accomplished law firm sometimes retained by one or more Plaintiffs and that Plaintiffs would benefit "from the combined resources and skills of the firms." This conclusory statement is not supported by any specific contributions that uniquely could be made by Bernstein Litowitz Berger & Grossmann LLP rather than Berman DeValerio Pease Tabacco Burt & Pucillo. The argument is further made that the additional appointment "will not result in unnecessary duplication of work or an increase in fees and expenses." Memorandum of Law at 6. Although a second lead law firm in this case may not result in unnecessary duplication of work, the addition of a second lead law firm by its very nature necessitates a substantial duplication of work and, of course, with a concomitant increase in claims for fees and expenses. Given the fact that there is no stated or perceived shortcoming on the part of Berman DeValerio Pease Tabacco Burt & Pucillo to act as Lead Counsel and no special contribution that uniquely could be made by Bernstein Litowitz Berger & Grossmann LLP, the case for a second law firm to act as co-lead counsel has not been made. In making this finding, the Court also takes into account that Lead

Plaintiffs have chosen a second firm of distinguished and accomplished lawyers, Nickens, Keeton, Lawless, Farrell & Flack LLP, as liaison counsel. In sum, Lead Plaintiffs will have ample fire power in being represented by two law firms of such high reputation as Berman DeValerio Pease Tabacco Burt & Pucillo and Nickens, Keeton, Lawless, Farrell & Flack LLP, and the Court is of the opinion that Lead Plaintiffs would not be materially better served by the addition of yet another law firm to serve as co-lead counsel. Accordingly, it is

ORDERED that Lead Plaintiffs' Motion for Approval of Selection of Lead and Liaison Counsel (Document No. 31) is GRANTED with respect to the approval of Lead Plaintiffs' selection of Berman DeValerio Pease Tabacco Burt & Pucillo as sole Lead Counsel, and Nickens, Keeton, Lawless, Farrell & Flack LLP as Liaison Counsel; and the motion is otherwise DENIED.

The Clerk shall notify all parties and provide them with a signed copy of this Order.

SIGNED at Houston, Texas, on this 26TH day of November, 2002.


EWING WERLEIN, JR.
UNITED STATES DISTRICT JUDGE